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| 8 | WESTERN DISTRICT OF WASHINGTON | | |
| 9 | AT SEA | ITLE | |
| 10 | BETHANY BREDIGER, | CASE NO. C14-166 MJP | |
| 11 | Plaintiff, | ORDER ON MOTIONS FOR SUMMARY JUDGMENT | |
| 12 | V. | | |
| 13 | GENERAL NUTRITION CORPORATION, et al. | | |
| 14 | Defendants. | | |
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| 16 | THIS MATTER comes before the Court or | n the parties' cross-motions for summary | |
| 17 | <u> </u> | | |
| 18 | the replies (Dkt. Nos. 64, 67), and all related paper | | |
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| 20 | summary judgment. | 1 | |
| 21 | Backgro | ound | |
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| 23 | Corporation ("GNC") for employment discrimination on the basis of sex and sexual orientation | | |
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and retaliation in violation of Title VII of the Civil Rights Act of 1964 ("Title VII"), the Washington Law Against Discrimination ("WLAD"), and the Fair Labor Standards Act ("FLSA"), and for violations of Washington wage laws, unjust enrichment, and promissory estoppel. (Dkt. No. 1 at 7–8.) Plaintiff began working for GNC as a Store Manager in August 2011 in GNC's Region 7. (Dkt. No. 56 at 1.) Plaintiff alleges in April 2012, she was promoted to Senior Store Manager with the promise that she would be paid for additional duties performed, but that GNC failed to provide her with commensurate pay. (Id. at 2.) Around October of 2012, Plaintiff claims she reported to Shane Von Behren, the Regional Sales Director ("RSD") of Region 7, and to Patrick McKewon, the Division Sales Director ("DSD") of Regions 6 and 7, that she had not received the pay she was promised and that certain female managers were being paid less commission than male managers. (Id. at 5.) Plaintiff alleges that around this same time, Mr. Von Behren looked at an assistant Store Manager in her presence and said "this is the nicest looking staff that I've seen." (<u>Id.</u> at 3.) Plaintiff claims that GNC, in retaliation for her complaints, unfairly disciplined her for a late store opening that did not violate its policy and demoted her from Senior Store Manager to Store Manager in January 2013. (Id. at 5–7.) Plaintiff continued to complain to GNC about perceived discrimination and retaliation throughout 2013, (see Dkt. Nos. 55-5 at 3, 55-6 at 2, 55-7 at 10–11), and claims GNC both failed to appropriately respond to her complaints and continued to retaliate and discriminate against her by, among other things, refusing to promote or reinstate her as Senior Store Manager, issuing her an action plan for Key Performance Indicator ("KPI") sales goals, issuing a written warning for store standards, failing to inform her of a visit

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from upper management and then issuing her another warning related to store standards, and then terminating her employment. (Dkt. No. 54 at 19.)

Plaintiff also alleges Thomas Friedman, who replaced Mr. Von Behren as RSD of Region 7 in April 2013, made derogatory comments about women and questioned her about her sexuality. (Dkt. No. 56 at 3–4.) Plaintiff claims she continued to report to GNC about additional perceived acts discrimination and retaliation until November 18, 2013, when her employment was terminated for poor work performance. (Dkt. No. 55-8 at 10.)

Arguing that it had legitimate, non-discriminatory, non-retaliatory reasons for its actions, that Plaintiff agreed to perform Senior Store Manager duties without pay, and that it did not discriminate against Plaintiff on the basis of her sex or sexual orientation, GNC now moves for summary judgment on all of Plaintiff's claims. (Dkt. No. 45.) Plaintiff cross-moves for partial summary judgment on her promissory estoppel and unjust enrichment claims. (Dkt. No. 42.)

Discussion

I. Legal Standard

A. Summary Judgment

Summary judgment is proper where "the movant shows that there is no genuine issue as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). The moving party bears the initial burden of demonstrating the absence of a genuine issue of fact. Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986). In assessing whether a party has met its burden, the underlying evidence must be viewed in the light most favorable to the non-moving party. Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 587 (1986).

II. GNC's Motion for Summary Judgment

A. Retaliation

Plaintiff asserts retaliation claims under WLAD and the FLSA.¹ To establish a prima facie case of retaliation, a plaintiff must prove: (1) she engaged in statutorily protected activity; (2) the defendant took an adverse employment action; and (3) there was a causal link between the protected activity and the adverse action. See Harris v. City of Seattle, 315 F. Supp. 2d 1112, 1125 (W.D. Wash. 2004) (addressing retaliation claim under Washington law). Harassment in retaliation for engaging in protected activity can be a form of adverse action in the retaliation context if the harassment would dissuade a reasonable worker from engaging in protected activity. See Ray v. Henderson, 217 F.3d 1234, 1245 (9th Cir. 2000).

Once the plaintiff establishes a prima facie case for retaliation, the burden shifts to the defendant to articulate a legitimate, non-retaliatory reason for the adverse action. See Stewart v. Masters Builders Ass'n of King and Snohomish Counties, 736 F.Supp.2d 1291, 1295 (W.D. Wash. 2010) (applying burden shifting framework established by the Supreme Court in McDonnell Douglas to FLSA retaliation case); see also Tyner v. Dep't of Soc. & Health Servs., 137 Wash. App. 545, 564 (2007) (the McDonnell Douglas "burden shifting scheme applies to retaliation claims.") If the defendant does so, the final burden rests with the plaintiff to demonstrate that the asserted reasons are pretext for retaliation. Stewart, 736 F.Supp.2d at 1295.

Plaintiff has not put forth sufficient evidence to support a retaliation claim based on harassment. However, as discussed below, Plaintiff has put forth sufficient evidence from which a reasonable jury could conclude GNC took other adverse employment actions (i.e. issued written warnings, demoted her, etc.) in retaliation for Plaintiff's complaints.

¹ Plaintiff withdraws her Equal Pay Act claim. (Dkt. No. 54 at 24.)

| Plaintiff argues GNC issued her a written warning related to a late store opening that did |
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| not violate its policies, demoted her from Senior Store Manager to Store Manager, refused to |
| promote or reinstate her, issued her an action plan for her KPI scores, issued her a written |
| warning related to store conditions, failed to inform her of the visit from upper management and |
| then issued another warning related to store conditions, and then terminated her employment in |
| retaliation for her complaints. (Dkt. No. 54 at 19.) She contends "[t]he timing of each |
| employment action, shortly after each complaint, in addition to the lack of justification for the |
| adverse actions, creates a causal link between the protected activity and the adverse employment |
| actions." (Id.) GNC argues it had legitimate, non-retaliatory reasons for its actions and that |
| Plaintiff cannot show those reasons are pretext for retaliation. (Dkt. No. 45 at 21–25.) |
| Each alleged adverse employment action occurred in close proximity to Plaintiff's |
| complaints. See Francom v. Costco Wholesale Corp., 98 Wash. App. 845, 862 (2000) (one |
| factor supporting retaliatory motive is the proximity in time between the protected activity and |
| the adverse action). Further, there is little evidence in the record that Plaintiff received any |
| warnings related to sales or store conditions before the end of 2012, when she first began making |
| complaints to her managers. In addition to evidence regarding timing, Plaintiff offers sufficient |
| circumstantial evidence of pretext to foreclose summary judgment on her retaliation claims. |
| GNC's policy requires employees to notify their managers either before or after a late |
| store opening to avoid discipline. (Dkt. No. 55-2 at 55.) While GNC contends Plaintiff did not |
| notify Mr. Von Behren about at least one of her late store openings in the fall of 2012, resulting |
| in a written warning, (Dkt. No. 49 at 3), Plaintiff states in her declaration that she notified Mr. |
| Von Behren each time there was a late store opening. (Dkt. No. 56 at 6.) While GNC contends |
| Plaintiff was never promoted to Senior Store Manager and was asked to stop performing Senior |

Store Manager duties in January 2013 because of poor store conditions, (Dkt. No. 49 at 4), Plaintiff offers evidence that she was promoted to Senior Store Manager, (Dkt. No. 58 at 3), and that she was told to stop performing Senior Store Manager duties because of budget cuts, unrelated to her performance. (Dkt. No. 56 at 6.) GNC issued Plaintiff a 30-day action plan related to KPI sales goals on May 30, 2013. (Dkt. No. 55-5 at 12.) While GNC contends that certain other managers who failed to meet KPI sales goals were also issued action plans in May 2013, (Dkt. No. 48 at 2–3), Plaintiff offers evidence that at least one Store Manager did not meet his KPI sales goals in April, May, June, July, September, and November of 2013, (Dkt. No. 61 at 42–50), but was not issued an action plan until August 2014. (Id. at 52.) And although GNC argues it stopped issuing action plans for KPI sales goals after May 2013 because there were more urgent issues to concentrate on, (Dkt. No. 69 at 4), Plaintiff offers evidence that she exceeded her KPI sales goals in three of four measured categories in March and April of 2013, that she missed her KPI sales goals for the first time in May 2013, and that her KPI sales numbers improved in both June and July of 2013. (Dkt. No. 61 at 44–46.) Therefore, GNC's decision to stop issuing action plans after May 2013 serves as circumstantial evidence of pretext. Viewing these facts in the light most favorable to Plaintiff, the Court finds a reasonable jury could find GNC retaliated against Plaintiff for her complaints. The Court, therefore, DENIES GNC's motion for summary judgment as to Plaintiff's federal and state law retaliation claims. **B.** Disparate Treatment Plaintiff asserts disparate treatment claims under WLAD and Title VII on the basis of sex and sexual orientation. To establish a prima facie case of disparate treatment, a plaintiff must

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show: (1) that she is a member of a protected class; (2) that she is qualified for the employment position or performing substantially equal work; (3) that she suffered an adverse employment action, and (4) that similarly situated employees not in the same protected class received more favorable treatment—<u>i.e.</u> comparators. <u>Kang v. U. Lim Am., Inc.</u>, 296 F.3d 810, 818 (9th Cir. 2002); Davis v. West One Auto. Group, 140 Wash. App. 449, 459 (2007). As an alternative to comparator evidence, the plaintiff can also provide evidence of "other circumstances surrounding the adverse employment action [that] give rise to an inference of discrimination." Peterson v. Hewlett-Packard Co., 358 F.3d 599, 603 (9th Cir. 2004). Next the burden shifts back to the employer to articulate a legitimate non-discriminatory reason for its decision. Wallis v. J.R. Simplot Co., 26 F.3d 885, 889 (9th Cir. 1994). Finally, the burden shifts back to the plaintiff to show the reason offered is pretext for an underlying discriminatory motive. Chuang v. University of Cal. Davis, 225 F.3d 1115, 1123, (9th Cir. 2000). Plaintiff argues GNC discriminated against her on the basis of sex and/or sexual orientation by "issuing numerous, unwarranted written warnings, demoting her, refusing to promote or reinstate her, and ultimately by terminating her under false pretenses." (Dkt. No. 54 at 20.) While an employee's burden in opposing an employer's motion for summary judgment is minimal, Chuang, 225 F.3d at 1124, Plaintiff fails to meet this minimal burden with respect to her disparate treatment claims. Although she discusses each alleged adverse employment action in her response brief, (Dkt. No. 54 at 21–24), Plaintiff does not sufficiently identify comparators who were treated more favorably and does not identify other evidence that would give rise to the inference that GNC's actions were motivated by her sex and/or sexual orientation. Indeed, Plaintiff does little more than state in a conclusory fashion that GNC treated her differently than other Store Managers who were not part of the relevant protected classes. (Dkt. No. 54 at 20.)

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Because no reasonable jury could find, based on the record before the Court, that GNC discriminated against Plaintiff on the basis of sex and/or sexual orientation, the Court GRANTS GNC's motion for summary judgment as to Plaintiff's disparate treatment claims.

C. Hostile Work Environment

To establish a hostile work environment under WLAD or Title VII, a plaintiff must show the following: (1) she was subjected to verbal or physical conduct because of her membership in a protected class; (2) the conduct was unwelcome; (3) the conduct was sufficiently severe or pervasive to alter the conditions of employment and create an abusive work environment.

Manatt v. Bank of Am., NA, 339 F.3d 792, 798 (9th Cir. 2003); see also Loeffelholz v. Univ. of Wash., 175 Wash.2d 264, 275 (2012).

Plaintiff alleges when she asked Mr. Friedman how best to train a female subordinate, he recommended that she treat female employees like she was "their abusive boyfriend." (Dkt. No. 56 at 3.) She also alleges Mr. Friedman stated "I'm so stupid, I have a penis on my forehead." (Id.) Plaintiff contends that Mr. Von Behren looked an Assistant Store Manager up and down in her presence and said "this is the nicest looking staff that I've seen." (Id.) Plaintiff alleges Mr. Friedman became aware of her sexual orientation in November 2012 when she brought her girlfriend to a coworker's baby shower. (Id. at 4.) She claims Mr. Friedman made a comment to her to the effect of "I heard you brought a friend" using a sarcastic tone. (Id.) Plaintiff also alleges Mr. Friedman treated her in a rude, demeaning, hostile manner every time he interacted with her. (Dkt. No. 54 at 21.) Plaintiff offers declarations from co-workers that represent, generally, that Mr. Friedman treated Plaintiff unfairly and singled her out for criticism. (See e.g. Dkt. Nos. 57, 60.)

GNC argues Plaintiff's hostile work environment claims should be dismissed because Plaintiff cannot prove that any alleged harassment by GNC was sufficiently severe or pervasive. (Dkt. No. 45 at 26.) Although it does not condone the alleged comments made by Mr. Von Behren and Mr. Friedman, the Court agrees with GNC. Viewing these facts in the light most favorable to Plaintiff, the Court finds no reasonable jury could find the harassment alleged by Plaintiff was sufficiently severe or pervasive to create an abusive work environment. The Court, therefore, GRANTS GNC's motion for summary judgment as to Plaintiff's hostile work environment claims.

D. Wrongful Withholding of Wages

GNC argues the Court should grant summary judgment in its favor on Plaintiff's withholding of wages claim under RCW 49.52.050 because, among other things, there is a "bona fide dispute" as to the wages being owed. (Dkt. No. 45 at 27.)

"The critical determination in a case . . . for double damages is whether the employer's failure to pay wages was 'willful." Schilling v. Radio Holdings, Inc., 136 Wn.2d 152, 159 (1998). Washington courts have recognized that an employer's failure to pay wages is not willful where "a bona fide dispute existed between the employer and the employee regarding the payment of wages." Id. at 160. "The dispute must be a 'bona fide,' i.e., a 'fairly debatable' dispute over whether an employment relationship exists, or whether all or a portion of the wages must be paid." Id. at 161.

Plaintiff alleges Chris Borden, the RSD for Region 7 in April 2012, promoted her to Senior Store Manager. (Dkt. No. 56 at 2.) She contends she accepted the promotion with the understanding that she would receive a pay increase once GNC filled the gaps in its budget. (Dkt. No. 54 at 4.) GNC disputes that Plaintiff was officially promoted and argues that at most

Plaintiff was considered a Senior Store Manager in training. (Dkt. No. 45 at 12.) GNC offers as 2 evidence a declaration from Mr. McKewon stating Plaintiff was never promoted to Senior Store Manager. (Dkt. No. 47 at 3.) Plaintiff does not dispute that GNC never applied the Senior Store 3 Manager job code to her. (Dkt. No. 42 at 8); (Dkt. No. 44-16.) An internal email from Mike Merchant to Lorraine Reidy in HR dated February 16, 2013 states "[w]e are not to pay her an 5 6 SSM wage as she was not an SSM!" (Dkt. No. 44-17.) 7 Viewing these facts in the light most favorable to Plaintiff, the Court finds a reasonable jury could not escape the conclusion that a "fairly debatable" dispute exists as to whether GNC 8 owes Plaintiff additional wages for the Senior Store Manager duties she performed. The Court, 10 therefore, GRANTS GNC's motion for summary judgment as to Plaintiff's withholding of wages claim. 12 E. Unjust Enrichment and Promissory Estoppel 13 On December 31, 2014, GNC tendered Plaintiff two checks: (1) a payroll check 14 representing the additional wages Plaintiff alleges are owed for Senior Store Manager duties 15 performed; and (2) a general check representing double damages, interest, and attorney's fees. (Dkt. No. 46-11 at 2.) Plaintiff accepted the first check but returned the second check. (Id. at 5– 16

GNC argues the Court should grant summary judgment in its favor because GNC tendered a check for the alleged wages owed and Plaintiff accepted the check. (Dkt. No. 45 at 27.) When considering these claims, the Court balances the equities to determine whether Plaintiff is entitled to relief. Because Plaintiff accepted a check representing the additional wages she alleges GNC owes her, the Court cannot give Plaintiff equitable relief in the form of damages for these claims. Any award of attorney's fees and/or interest that Plaintiff might be

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| 1 | entitled to would be cut off at the time GNC tendered the check for wages owed. Plaintiff failed | |
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| 2 | to mitigate her damages by continuing to pursue these claims despite GNC's tender of the | |
| 3 | amount allegedly owed. On balance, the equities do not weigh in Plaintiff's favor. The Court, | |
| 4 | therefore, GRANTS GNC's motion for summary judgment as to Plaintiff's promissory estoppel | |
| 5 | and unjust enrichment claims. | |
| 6 | III. Plaintiff's Motion for Partial Summary Judgment | |
| 7 | Plaintiff brings her motion for partial summary judgment on her promissory estoppel and | |
| 8 | unjust enrichment claims to recover prejudgment interest and attorney's fees related to these | |
| 9 | claims. (Dkt. No. 42 at 9.) Because the Court has already granted summary judgment in GNC's | |
| 10 | favor on these claims, the Court DENIES Plaintiff's motion for partial summary judgment. | |
| 11 | <u>Conclusion</u> | |
| 12 | The Court GRANTS in part and DENIES in part GNC's motion for summary judgment. | |
| 13 | (Dkt. No. 45.) The Court DENIES Plaintiff's motion for partial summary judgment. (Dkt. No. | |
| 14 | 42.) | |
| 15 | The clerk is ordered to provide copies of this order to all counsel. | |
| 16 | Dated this 2nd day of October, 2015. | |
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| 18 | Marshy Helens | |
| 19 | Marsha J. Pechman United States District Judge | |
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